

# Exhibit 5

424B5 1 d529367\_424b5.htm OPTION ONE MORTGAGE LOAN TRUST, SERIES 2006-2  
PROSPECTUS SUPPLEMENT (To Prospectus dated April 3, 2006)

**\$1,465,500,000 (Approximate)**

**OPTION ONE MORTGAGE LOAN TRUST 2006-2**  
*Issuing Entity*  
**OPTION ONE MORTGAGE ACCEPTANCE CORPORATION**  
*Depositor*  
**OPTION ONE MORTGAGE CORPORATION**  
*Originator, Sponsor and Master Servicer*



Consider carefully the risk factors beginning on page S-13 in this prospectus supplement and on page 4 in the prospectus. The certificates represent obligations of the trust only and do not represent an interest in or obligation of Option One Mortgage Acceptance Corporation, Option One Mortgage Corporation or any of their affiliates. This prospectus supplement may be used to offer and sell the certificates only if accompanied by the prospectus.

Only the fourteen classes of certificates identified below are being offered by this prospectus supplement and the accompanying prospectus.

#### **The Class A and Mezzanine Certificates**

- Represent ownership interests in a trust consisting primarily of a pool of first and second lien fixed-rate and adjustable-rate residential mortgage loans.
- Each of the classes of certificates listed below will accrue interest at a rate equal to one-month LIBOR plus a specified margin, subject to certain limitations described in this prospectus supplement.

#### **Credit Enhancement**

- Subordination as described in this prospectus supplement under "Description of the Certificates—Credit Enhancement."
- Overcollateralization as described in this prospectus supplement under "Description of the Certificates—Overcollateralization Provisions."
- Excess Interest as described in this prospectus supplement under "Description of the Certificates—Overcollateralization Provisions."
- Mortgage Pool Insurance Policy as described in this prospectus supplement under "Description of the Certificates—The Pool Policy."

The Certificates will also have the benefit of an interest rate swap agreement as described in this prospectus supplement under "Description of the Certificates—Interest Rate Swap Agreement, the Swap Provider and the Supplemental Interest Trust."

#### **ASSET-BACKED CERTIFICATES, SERIES 2006-2**

Only the fourteen classes of certificates identified below are being offered by this prospectus supplement and the accompanying prospectus.

#### **The Class A and Mezzanine Certificates**

Interest only	0.0%	0.7%	12.6%	21.1%
Other	0.0%	0.4%	0.3%	3.0%
<b>Loan purpose:</b>				
Cash-out refinance	64.9%	67.1%	63.5%	58.8%
Purchase	26.9%	26.0%	30.8%	35.0%
Rate or term refinance	8.2%	6.9%	5.7%	6.3%
<b>Loan characteristics:</b>				
Average loan size	\$ 144	\$ 151	\$ 160	\$ 217
Weighted-average loan-to-value	78.7%	78.1%	78.9%	80.6%
Weighted-average FICO score	604	608	614	622

Securitization of mortgage loans originated by the Originator is an integral part of the Sponsor's management of its capital. Since 1996, the Sponsor has engaged in securitizations of mortgage loans originated by the Originator through the Depositor. The Sponsor participated with the Underwriters in structuring the securitization transaction.

The following table shows, for each of the most recent three years, the aggregate principal balance of all mortgage loans originated by the Originator (including those purchased by the Originator from correspondent lenders) during that fiscal year and the portion of those mortgage loans securitized during that year through the Depositor.

#### Origination and Securitization of Option One Mortgage Loans

	<b>Years Ended April 30,</b>			
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	(Dollar Amounts in thousands)			
Aggregate Principal Balance of Mortgage Loans Originated by Originator	\$ 16,577,621	\$ 23,256,013	\$ 31,001,724	\$ 40,779,763
% of Mortgage Loans Securitized	59%	24%	8%	32%

With respect to approximately 28% of the securitizations organized by the Sponsor since 2000, a trigger event has occurred with respect to the loss and delinquency experience of the mortgage loans included in the related trust, resulting in a sequential distribution of principal to the related offered certificates, from the certificate with the highest credit rating to the one with the lowest rating.

#### **Underwriting Standards**

The Mortgage Loans will have been originated generally in accordance with Option One's Guidelines (the "Option One Underwriting Guidelines"). The Option One Underwriting Guidelines are primarily intended to assess the value of the mortgaged property, to evaluate the adequacy of such property as collateral for the mortgage loan and to assess the applicant's ability to repay the mortgage loan. The Mortgage Loans were also generally underwritten with a view toward resale in the secondary market. The Mortgage Loans generally bear higher rates of interest than mortgage loans that are originated in accordance with customary Fannie Mae and Freddie Mac standards.

On a case-by-case basis, exceptions to the Option One Underwriting Guidelines are made where compensating factors exist. Except as specifically stated herein, the Option One Underwriting Guidelines are the same for first lien mortgage loans and second lien mortgage loans.

Each mortgage loan applicant completes an application that includes information with respect to the applicant's liabilities, income, credit history, employment history and personal information. The Option One Underwriting Guidelines require a credit report and, if available, a credit score on each applicant from a credit-reporting agency. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcies, repossessions or judgments. A credit score is a statistical ranking of likely future credit performance developed by Fair, Isaac and Co., Inc. and made available through the three national credit data repositories—Equifax, TransUnion and Experian.

Mortgaged properties that are to secure mortgage loans generally are appraised by qualified independent appraisers. Such appraisers inspect and appraise the subject property and verify that such property is in acceptable condition. Following each appraisal, the appraiser prepares a report which includes a market value analysis based on recent sales of comparable homes in the area and, when deemed appropriate, replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation and are generally on forms acceptable to Fannie Mae and Freddie Mac.

The Option One Underwriting Guidelines require that mortgage loans be underwritten in a standardized procedure which complies with applicable federal and state laws and regulations and require Option One's underwriters to be satisfied that the value of the property being financed, as indicated by an appraisal supports the loan balance. The maximum loan amount for mortgage loans originated under the origination programs varies by state and may be originated up to \$1,400,000. Option One recognizes that an appraised value is an opinion and thus, allows for variances to the appraisal based on a review of such appraisal, the loan-to-value ratio ("LTV") and other risk factors. The maximum variance between the appraisal and a review of the appraisal is limited to (i) 10% for LTVs that are less than or equal to 85%, (ii) 5% for LTVs between 85.01% and 95%, and (iii) 3% for LTVs over 95%. References to LTV's in this section are based on loan balance (including the principal balance of the senior lien when referring to a second lien mortgage loan) relative to (a) in the case of a purchase money mortgage loan, the lesser of the appraised value or the sales price of the related mortgaged property and (b) in the case of a refinance mortgage loan, the appraised value. There can be no assurance that the value of a mortgaged property estimated in any appraisal or review is equal to the actual value of such mortgaged property at the time of such appraisal or review. Furthermore, there can be no assurance that the actual value of a mortgaged property has not declined subsequent to the time of such appraisal or review.

Option One Underwriting Guidelines require a reasonable determination of an applicant's ability to repay the loan. Such determination is based on a review of the applicant's source of income, calculation of a debt service-to-income ratio based on the amount of income from sources indicated on the loan application or similar documentation, a review of the applicant's credit history and the type and intended use of the property being financed.

Except with respect to the No Documentation program that is described below, the Option One Underwriting Guidelines require verification or evaluation of the income of each applicant and, for purchase transactions, verification of the seasoning or source of funds (in excess of \$2,500) required to be deposited by the applicant into escrow. The income verification required under Option One's various mortgage loan programs is as follows:

Full Documentation, the highest level of income documentation, generally requires applicants to submit one written form of verification from the employer of stable income for at least 12 months. A wage-earner may document income by a current pay stub reflecting year to date income and applicant's most recent W-2 or IRS Form 1040. A self-employed applicant may document income with either the most recent federal tax returns or personal bank statements.

Lite Documentation is for applicants who otherwise cannot meet the requirements of the full documentation program and requires applicants to submit 3 months' bank statements or a pay stub as verification of income.

Stated Income Documentation applicants are qualified based upon monthly income as stated on the mortgage loan application.

No Documentation, which is only available under the AA+ credit grade, does not require any statement or proof of income, employment or assets. The credit decision is based on the borrower's credit score and credit trade lines.

For wage earning borrowers, all documentation types require a verbal verification of employment to be conducted within 48 hours prior to funding.

*Latitude Advantage Program.* The majority of Option One's loan originations are underwritten using its "Latitude Advantage" program guidelines. Under the Latitude Advantage program, the maximum LTV is based on an applicant's credit score, risk grade, income documentation and use and type of property. Maximum LTV for Full Documentation loans are generally higher than the maximum LTV for corresponding Lite Documentation or Stated Income loans. The maximum LTV for loans secured by owner-occupied properties are generally higher than for loans secured by properties that are not owner-occupied. The credit report of the applicant whose credit score is being used for qualifying purposes must reflect three or more tradelines. A minimum credit score of 500 is required, although a credit score greater than 580 is often required to qualify for the maximum LTV (100%) under the program. The debt-to-income ratio is generally less than 55%. Latitude Advantage guidelines generally require bankruptcies be discharged, dismissed or paid off at or prior to funding. Collections and judgments which are less than 12 months old and greater than \$5,000 must be paid